

[Senate Hearing 108-267]
[From the U.S. Government Publishing Office]

S. Hrg. 108-267

TERRORISM: GROWING WAHHABI INFLUENCE IN THE UNITED STATES

\_\_\_\_\_\_

**HEARING** 

before the

SUBCOMMITTEE ON TERRORISM, TECHNOLOGY AND HOMELAND SECURITY

of the

COMMITTEE ON THE JUDICIARY UNITED STATES SENATE

ONE HUNDRED EIGHTH CONGRESS

FIRST SESSION

\_....

JUNE 26, 2003

Serial No. J-108-21

Printed for the use of the Committee on the Judiciary

91-326 U.S. GOVERNMENT PRINTING OFFICE WASHINGTON: 2003

For Sale by the Superintendent of Documents, U.S. Government Printing Office Internet: bookstore.gpo.gov Phone: toll free (866) 512-1800; (202) 512-091800

Fax: (202) 512�092250 Mail: Stop SSOP, Washington, DC 20402�090001

## COMMITTEE ON THE JUDICIARY

ORRIN G. HATCH, Utah, Chairman

CHARLES E. GRASSLEY, Iowa
ARLEN SPECTER, Pennsylvania
JOSEPH R. BIDEN, Jr., Delaware
MIKE DEWINE, Ohio
JEFF SESSIONS, Alabama
LINDSEY O. GRAHAM, South Carolina
LARRY E. CRAIG, Idaho
SAXBY CHAMBLISS, Georgia
PATRICK J. LEAHY, Vermont
EDWARD M. KENNEDY, Massachusetts
JOSEPH R. BIDEN, Jr., Delaware
HERBERT KOHL, Wisconsin
DIANNE FEINSTEIN, California
RUSSELL D. FEINGOLD, Wisconsin
CHARLES E. SCHUMER, New York
RICHARD J. DURBIN, Illinois

SAXBY CHAMBLISS, Georgia RICHARD J. DURBIN, Illinois

JOHN CORNYN, Texas JOHN EDWARDS, North Carolina

Bruce Artim, Chief Counsel and Staff Director

Bruce A. Cohen, Democratic Chief Counsel and Staff Director

-----

Subcommittee on Terrorism, Technology and Homeland Security

JON KYL, Arizona, Chairman

ORRIN G. HATCH, Utah

ARLEN SPECTER, Pennsylvania

MIKE DeWINE, Ohio

JOSEPH R. BIDEN, Jr., Delaware

JEFF SESSIONS, Alabama

SAXBY CHAMBLISS, Georgia

JOHN EDWARDS, North Carolina

Stephen Higgins, Majority Chief Counsel David Hantman, Democratic Chief Counsel

## CONTENTS

-----

## STATEMENTS OF COMMITTEE MEMBERS

	Page
<pre>Kyl, Hon. Jon, a U.S. Senator from the State of Ohio Schumer, Hon. Charles E., a U.S. Senator from the State of New York</pre>	1
	3
WITNESSES	
Alexiev, Alex, Senior Fellow, Center for Security Policy, Washington, D.C	14
Washington, D.C	7
Federal Bureau of Investigation, Washington, D.C Schwartz, Stephen, Senior Fellow, Foundation for the Defense of	9
Democracies, Washington, D.C	16
QUESTIONS AND ANSWERS	
Responses of the Department of the Treasury to questions submitted by Senators Kennedy, Kyl, and Schumer	28
Responses of Stephen Schwartz to questions submitted by Senators Kennedy, Schumer, and Kyl	34
Kennedy, Kyl, and Schumer	51
SUBMISSIONS FOR THE RECORD	
Alexiev, Alex, Ph.D., Senior Fellow, Center for Security Policy, Washington, D.C., prepared statement	61
Aufhauser, David, General Counsel, U.S. Treasury Department, Washington, D.C., prepared statement	67
Mefford, Larry A., Assistant Director, Counterterrorism Division, Federal Bureau of Investigation, Washington, D.C., prepared	
statement  Schwartz, Stephen, Senior Fellow, Foundation for the Defense of	81
Democracies, Washington, D.C., prepared statement	88

THURSDAY, JUNE 26, 2003

TERRORISM: GROWING WAHHABI INFLUENCE IN THE UNITED STATES

-----

United States Senate,

Subcommittee on Terrorism, Technology and Homeland
Security, of the Committee on the Judiciary,
Washington, D

The Subcommittee met, pursuant to notice, at 2:12 p.m., in room SD-226, Dirksen Senate Office Building, Hon. Jon Kyl, Chairman of the Subcommittee, presiding.

Present: Senators Kyl and Schumer.

OPENING STATEMENT OF HON. JON KYL, A U.S. SENATOR FROM THE STATE OF OHIO

Chairman Kyl. Welcome to this hearing of the Senate Judiciary Subcommittee on Terrorism, Technology and Homeland Security. Our hearing today is entitled, ``Terrorism: Growing Wahhabi Influence in the United States.''

Let me, first of all, indicate to those in the audience that we are engaged in about three different things that are directly relevant to this Committee right now.

First of all, there is a full Committee markup occurring right now on the asbestos litigation or legislation, and we are all supposed--well, litigation and legislation--we are going to be running back and forth to that. We have four votes scheduled at 2:40 on the floor of the Senate, and so we will have to excuse ourselves for that.

I apologize to all of you, especially those of you who are witnesses here because there will be some disruption in our schedule, but we will begin and move forward as much as we can. Senator Feinstein will not be able to join us, at least at this point, but hopefully will be here later, and some of the other members of the Committee are hoping the join us. But what I would like to do is get started, make a brief statement, have Senator Schumer make a brief statement and then at least begin with our first two representatives of our Government, representing the first panel.

We are here today to discuss a vital, if largely overlooked, aspect of the terrorist campaign being waged in our country, and I think unless we pay closer attention to it and understand it, we will not know how to protect ourselves against this. Our witnesses today are going to talk about how this terrorist campaign is supported in the United States and how it has been caused to spread.

The problem we are looking at today is the State-sponsored doctrine and funding of an extremist ideology that provides the recruiting grounds, support infrastructure and monetary life blood of today's international terrorists. The extremist ideology is Wahhabism, a major force behind terrorist groups, like al Qaeda, a group that, according to the FBI, and I am quoting, is the ``number one terrorist threat to the U.S. today.''

Nearly 22 months have passed since the atrocity of September 11th. Since then, many questions have been asked about the role in that day's terrible events and in other challenges we face in the war against terror of Saudi Arabia and its official sect, a separatist, exclusionary and violent form of Islam known as Wahhabism.

It is widely recognized that all of the 19 suicide pilots were Wahhabi followers. In addition, 15 of the 19 were Saudi subjects. Journalists and experts, as well as spokespeople of the world, have said that Wahhabism is the source of the overwhelming majority of terrorist atrocities in today's world, from Morocco to Indonesia, via Israel, Saudi Arabia, Chechnya.

In addition, Saudi media sources have identified Wahhabi agents from Saudi Arabia as being responsible for terrorist attacks on U.S. troops in Iraq. The Washington Post has confirmed Wahhabi involvement in attacks against U.S. forces in

Felugia. To examine the role of Wahhabism and terrorism is not to label all Muslims as extremists. Indeed, I want to make this point very, very clear. It is the exact opposite. Analyzing Wahhabism means identifying the extreme element that, although enjoying immense political and financial resources, thanks to support by a sector of the Saudi state, seeks to globally hijack Islam, one of the world's three great Abrahamic faiths. It means understanding who our worst enemies are and how we can support the majority of the world's Muslims, ordinary, normal people who desire to live in a safe, secure, and stable environment, in their own effort to defeat terror. In the end, Islamist terror must be defeated to a significant extent within Islam by Muslims themselves.

Based on Government documents, Newsweek magazine reported in its recent issue, June 23rd, that al Qaeda, which experts have described as a Wahhabi movement, has overhauled its approach to penetrating the United States, and I just want to quote this one paragraph before I conclude.

``To foil the heightened security after 9/11, al Qaeda began to rely on operatives who would be harder to detect. They recruited U.S. citizens or people with legitimate Western passports who could move freely in the United States. They used women and family members as support personnel, and they made an effort to find African-American Muslims who would be sympathetic to Islamic extremism, using mosques, prisons and universities throughout the United States.''

``According to the documents, the former al Qaeda director of Global Operations who was captured in Pakistan last March reached deep into the heartland, lining up agents in Baltimore, Columbus, Ohio, and Peoria, Illinois. The Feds have discovered at least one--'' and this is Khalid Shaikh Mohammed ``--one KSM-run cell that could have done grave damage to the United States.''

The extreme nature of Wahhabism is well established. As the great scholar of Islam, Bernard Lewis, has noted, ``Saudi oil revenues have,'' and I am quoting here, ``allowed the Saudis to spread this fanatical, destructive form of Islam all over the Muslim World and among the Muslims in the West. Without oil and the creation of the Saudi kingdom, Wahhabism would have remained a lunatic fringe.''

Now, some of the testimony that you will hear today will be chilling. It will describe a well-organized, foreign-funded terrorist support enterprise that is networked across our own country, as well as the rest of the world. Today, we will hear testimony about Saudi, al Qaeda, and Wahhabi involvement in terrorism. In particular, the Department of Treasury will make clear that the ultimate goal of terrorist financings is destruction and will comment on the involvement of Saudi-based entities and individuals in terrorism.

Representatives of the FBI will testify that the al Qaeda network remains the most serious threat to U.S. interests here and overseas.

In addition to the FBI and Treasury, two private organizations that have spent a great deal of time wrestling with these issues, the Center for Security Policy and the Foundation for the Defense of Democracies, will show the link between al Qaeda and Wahhabism and will address the struggle against terrorist financing and terrorist penetration of our country, the origins of Wahhabism, its international ambitions and its influence in American Islam.

I welcome all of you to this hearing today, and now we will turn to somebody who has also devoted a great deal of time and effort to this war on terror here in the United States, my colleague, Chuck Schumer. STATEMENT OF HON. CHARLES SCHUMER, A U.S. SENATOR FROM THE STATE OF NEW YORK

Senator Schumer. Well, thank you. And I want to thank you, Chairman Kyl, for having this very important hearing. This is an issue that I have been very interested in, as you have mentioned; terrorism, in general, and Wahhabism, in particular, for quite a while.

And the issue we are addressing is very important in our effort the protect America from future terrorist attack. We have learned that when you ignore it, it gets worse, and so I really salute you for having this hearing.

Now, since the Wahhabi presence in the United States is a foreboding one that has potentially harmful and far-reaching consequences for our Nation's mosques, schools, prisons and even our military, these hearings could not come at a more opportune time.

But before I begin, I want to make one thing absolutely clear: Islam is an admirable and peaceful faith that embraces tolerance, morality, and charity. As you mentioned, it is one of the three great Abrahamic faiths, and the bottom line is anyone who misinterprets and says speaking out against an extreme faction that advocates violence is speaking out against one of the great religions because a few of its adherents seek to hijack what that faith is all about, are totally misinterpreting and not being American.

What we do not do as Americans is, and we have learned this because of our long history with race and racial problems is, take a person and say you are of this faith, you are branded by some who might share that faith and distort it, and we are against everybody or take action against everybody or discriminate against you. I think that is extremely important, and we should underline it.

Now, most of the Muslim world follows the tenets of mainstream Muslim of a peaceful, admirable faith, but unfortunately the increasingly influential and radical Wahhabi ideology distorts this message by preaching hate, violence and intolerance, not only toward the Judeo-Christian world, but towards moderate Muslim as well, to the rest of the Muslim faith.

Al Qaeda, and the 9/11 terrorists were the products of Wahhabism's hateful and intolerant system of belief, and over the past year my office has been studying Wahhab activities in the United States and around the world and has uncovered disturbing information. Wahhabism is an extremist exclusionary form of Islam that not only denigrates other faiths, but also marginalizes peaceful followers of Islam, like Shia and most Sunnis.

The roots of Wahhabism can be found in Saudi Arabia, where the governing regime has made an ugly deal with that Nation's radical Muslim clerics. The Saudis give Wahhabis protection and support in exchange for Wahhabis promising not to undermine the Saudi royal family. This is nothing short of a deal with the devil. It is the wrong thing to do, and I would urge, I have urged, the Saudi Government to refrain from it because it is going to lead to their own undoing, as well as lack of freedom for their people, as well as lack of progress for their people.

The Wahhabis get to preach the hate and extremism that form core tenets of Wahhabism without consequence, and more importantly, because that still falls under Freedom of Speech. It's when you step over the line between advocating something verbally, and then doing it, and we have learned that this has happened over and over again, the Wahhabis are allowed to recruit disciplines who pose a tremendous threat to Americans everywhere.

I have written letter after letter to the Saudi Government asking it to denounce the Wahhabi teachings of its madrassas or religious schools which preach extremism and stop funding them. I am sure everyone will be shocked to hear that thus far I have not received any response from them indicating any change in policy.

As the Saudis turned a blind eye, the Wahhabi machine is becoming well-financed, politically powerful, difficult to prosecute and making dramatic inroads here in the United States. Let me give you an example of how Wahhabism has reached some degree of havoc in my own backyard in New York State.

For 20 years, the New York State Department of Corrections employed Warith Deen Umar as one of its chaplains, eventually appointing him administrative chaplain of the New York Department of Correctional Services. A strict believer in Wahhabi Islam, Umar was responsible for the hiring and firing of all chaplains in the New York State prison system, exercising complete control over personnel matters. But last year Mr. Umar was banned from ever again entering a New York State prison, after he incited prisoners against America, specifically preaching to inmates that the 9/11 hijackers should be remembered as martyrs.

Many of the clerics Umar hired during his tenure have reportedly echoed his sentiments and sermons before many of New York State's 13,000 Muslim inmates, as well as, and this is the amazing point, impeding their freedom of religion by denying these prisoners access to materials and imams used by more moderate forms of Islam. There is even one report when a Sunni Muslim prisoner wanted a different chaplain to come in that he was beaten because Umar wanted only the Wahhabi faith to be appointed as chaplains in the New York State prisons. While it is not surprising that Umar would have hired clerics who shared his beliefs, I am terribly worried that his minions may have exposed members of New York's prison population to his extremist and toxic anti-American views.

More than preaching hate, many of the clerics of Wahhabism seem to be actively opposing the U.S. Government. In March, Federal prosecutors in New York indicted a chaplain at the Auburn correctional facility in New York State for sending millions of dollars to organizations in Iraq, in violation of U.S. sanctions. He has since pleaded guilty to the offense.

When my office researched further, we discovered that New York's prisons were not the only ones that had been penetrated by this kind of Wahhabi zealotry. The U.S. Federal Bureau of Prisons uses two groups to select imams who administer to Muslim inmates. The Graduate School of Islamic and Social Sciences, whose offices are right across the river in Northern Virginia and the Islamic Society of Northern America.

As some of the experts appearing later today can testify, both of these groups appear to have disturbing connections to Wahhabism and terrorism. The GSISS is under investigation as part of U.S. Customs Operation Green Quest, for its possible role in helping to funnel \$20 million to terrorists throughout off-shore financial institutions.

Meanwhile, a number of ISNA board members appear to have checkered pasts. One member, Siraj Wahhaj, was named as an unindicted co-conspirator in the WTC, in the World Trade Center 1993 bombings. Another member, Bassam Osman, was previously the director of the Koranic Literary Institute, an Oak Lawn, Illinois, organization that had \$1.4 million in assets seized by the Justice Department in June 1998, on the grounds it was used to support HAMAS activities.

To make matters worse, the GSISS, as well as another Wahhabi-influenced organization that is under investigation by Green Quest, the American Muslim Foundation, are the sole

organizations credentialed to advise the Pentagon on who to choose as imams to serve the 4,000 patriotic and valiant Muslim soldiers in the U.S. military. Again, these two groups are not totally Wahhab, but they seem to tolerate those who are Wahhab and who step over the line, as these facts have shown, not just in preaching violence and hatred, but actually acting upon it, and that is the crucial line that we are interested here in, not to deal with freedom of speech, but rather to deal with actions that cause, aid and abet terrorism.

While the potential Wahhabi influence in the U.S. Armed Forces is not well-documented, these organizations have succeeded in ensuring that militant Wahhabism is the only form of Islam that is preached to the 12,000 Muslims in Federal prisons. That is against the American view of pluralism. If there are some in the prisons who want Wahhab ministers, that is one thing, but for every Muslim to be forced to have a Wahhabi minister, that is wrong, incorrect, and against the American way.

These imams flood the prisons with anti-American, pro-bin Laden videos, literature, sermons, and tapes. They destroy literature sent to the prisons by more moderate Shia and Sunni organizations and prevent imams that follow these traditions from speaking to prisoners.

In addition, non-Wahhabi Muslim prisoners who seek to practice their religion often receive threats from Wahhabi prisoners who have been instructed by Wahhabi imams. The point to prison is to rehabilitate violent prisoners. Instead, the Wahhabi influence is inculcating them with the same kind of militant ideas that drove the 9/11 hijackers to kill thousands of Americans. Mr. Chairman, this is a dangerous situation that is essentially being ignored. Because despite the evidence, the Federal Bureau of Prisons, and the Pentagon, continue to allow these Wahhabi organizations, under Federal terrorist investigation, to serve as their sole religious advisers when it comes to Islam.

In an effort to end the practice, I have written to the Inspectors General of the Department of Justice and the Department of Defense, both of whom responded to tell me they are looking into the matter. However, Mr. Chairman, their efforts are only a first step towards revealing the full picture of the Wahhabi presence in America. And make no mistake, we need to develop the full picture if we are to prevent these extremist teachings from causing damage, terrorism, in this country.

Now, more than ever, I am convinced that the process to counter this hateful ideology begins with Saudi Arabia. The Saudis can, and should, stop the terrorist financing that goes on within their borders. The Saudis can, and should, track down and arrest terrorists that hide out in their countries, but if they truly want to stop the violence that led to 9/11 and the recent attacks in Riyadh, going beyond simple Band-Aid action, the Saudi Government must repudiate the Wahhabi extremism that is the source of much of this violence.

It means stop funding the extremist madrassas, purging the hate-filled textbooks that populate Saudi schools, and putting an end to the extremist Wahhabi preaching that takes place in so many of the mosques in Saudi Arabia. If the Saudis do not end the funding and teaching of extremism, the cycle of terrorist violence wracking the globe will get worse.

In addition, our Government, specifically, the Defense Department and the Federal Bureau of Prisons, must do a better job connecting the dots between the organizations with which they do business and Wahhabi activists, eliminating those influences and bringing pluralism to the Muslim population in the prisons and the army, as it is available to those of the

other great religions.

Mr. Chairman, by holding these hearings, you are doing your part to show that we have, you are doing what is necessary to ensure that we do not look back after the next terrorist attack and say, ``Why did we not stop it when we had the chance?'' My worry is that the Saudis, and many in this administration, are not heeding these warning signs. My worry is, by not heeding these signs, we are once again letting those who hate freedom recruit disciples in our country that might potentially do us harm.

My fear, Mr. Chairman, in conclusion is that if we do not wake up and take action now, those influenced by Wahhabism's extremist ideology will harm us in, as of yet, unimaginable ways.

I thank you, again, for holding this hearing.

Chairman Kyl. Thank you very much, Senator Schumer, for that excellent statement, and let me say that it was my intention today for this hearing to be a rather broad, foundational kind of information gathering. And that we would then begin a series of hearings on the recruitment in prisons, in mosques, in our own military, and in the other areas that you identified there. We will, obviously, be both working with the administration, as well as others, on the outside who have information that can be brought to bear. So you have really laid down a good marker for where we want to go with our future hearings.

We are really fortunate today to have two of the great public servants in our administration, David Aufhauser, who is the general counsel for the Department of Treasury. He is the chief legal adviser and a senior policy adviser to the Secretary of Treasury. He serves as Chairman of the National Security Committee's Policy Coordinating Committee on Terrorist Financing and currently supervises the Office for Terrorist Financing and Financial Crimes.

And also Larry Mefford, the assistant director of the FBI. He is in charge of the FBI's Counterterrorism Division. In this position, he is responsible for the oversight, direction, and coordination of all FBI efforts to combat terrorism against the United States.

As I said, we could not have two better witnesses to advise the Committee on what the state of the terrorist threat is in the United States today, how the financing of terrorism is accomplished here, and I very much appreciate both of you being with us today.

David Aufhauser, let us begin with you. Let us see how much we can get in before we have to go. My hope would be that perhaps both of you could provide your primary testimony. We could then break for the votes and come back. I am sorry to interrupt the hearing in that way, but I think that would be the best way to proceed.

STATEMENT OF DAVID AUFHAUSER, GENERAL COUNSEL, DEPARTMENT OF THE TREASURY, WASHINGTON, D.C.

Mr. Aufhauser. Thank you, Mr. Chairman, and I thank you for the gracious introduction for me and for Larry.

First, I would like, with your permission, to submit for the record the written testimony that I have submitted, and just give you a brief overview, and then I certainly welcome questions after you hear from Larry.

When I joined the Department of Treasury 2.5 years ago, I was already well aware of the deficit of hope in the Islamic world, the most visible symbol of which is the failure to resolve the question of Palestine. I had traveled in the Middle East on behalf of the World Bank, and my assignments at that

time were straightforward, but a forensic challenge: Try to figure out why rivers of money intended to build dams, to irrigate land or to establish an effective stock market in the Gulf had failed in their mission with much money left unaccounted for.

When Paul O'Neill asked me to join him at the Treasury Department, he gave me a similar and related challenge: Help the President make every dollar of development aid count, not only because we are stewards of the taxpayers' money, but because effective aid is the most promising tonic for hate.

Despair is hate's crucible. And our ambition at that time, and still is, to try to eliminate it, not with any romantic notion of changing people's minds, but by changing their opportunities in life. No man, no man takes up a gun or a bomb and kills who sees a future for his own family.

Others, however, have sought to exploit despair and to teach people to kill. They have financed the venture by defiling charitable purpose, and they have found a convenient means to do so in the Middle East and particularly in theocracy of Saudi Arabia. I want to be clear, as both of you are clear. We are not at war with a faith. We are not at war with a sect. The war is with those who would seek to compromise faith, with those who counterfeit it, and with those who champion the death of innocents in the name of the faith.

And here, the austere and uncompromising, literal, salafist Wahhabi view of the teachings of Allah has been wrongly invoked by would-be false prophets, like Osama bin Laden, to legitimize terror and killing. Still, it is a very important factor to be taken into account when discussing terrorist financing. The principle of charity is central to Islam, and with unimaginable oil wealth has come a commensurate amount of charitable giving or zakat that has flowed into prominent Saudi-based NGOs.

Those NGOs have offices dispersed in the outposts of the world, populated by the Islamic diaspora, places where need is infinite and where hopelessness preys on a night's sleep.

There are, moreover, few financial or human resource controls on those frontiers, and little sophistication for dealing with the diversion of charitable money for violent purpose. It is a combustible compound when mixed with religious teachings, in thousands of madrassas that condemn pluralism, preach intolerance, and mark nonbelievers as an enemy. Fundamentalism simply is too easily morphed in such circumstances into a mission of hate and terror, and it does need to be dealt with.

Much of our dialogue with the Saudi Government on terrorist financing has focused on the misuse of these charitable and religious missions and the need to tighten the controls. The result has been a far-reaching charities initiative, at least the pledge of one, that bars all cross-border giving, absent Saudi Government oversight and vetting, the closing of 10 offices of the largest and most far-reaching Saudi NGO, Al Haramain, each office for which we demonstrated to be underwriters for terror in either the Balkans, East Africa, Indonesia and in Pakistan, the reconstitution at our suggestion and recommendation of Al Haramain's board, the arrest of a significant number of prominent fundraisers now known to us in Saudi Arabia, an ongoing dialogue on additional, specific NGO and donor targets, and work towards establishing a framework for the sharing of more financial information on a near realtime basis.

This last development is critical, Mr. Chairman. Much of the evidence in the shadow war is suspect. It is the product of interrogation, rewards, betrayals and deceits, but a financial record does not lie. It has singular integrity on the war on terror, and it is enormously useful. It is useful in helping to identify, and locate, and capture bad guys, it is useful in mapping out a network of connections between anonymous bankers and suicide bombers.

It is useful in helping to evaluate the credibility and the immediacy of a threat, and it has been useful in trying to prevent a calamity by starving the enterprise of terror, and it is an enterprise. By way of example, the al Qaeda paid a tithe of \$20 million a year to the Taliban for their safekeeping. But if you use the financial records, you might prevent the calamity, as long as you can starve the enterprise of terror of its fuel, and its fuel is money.

This brings us back, ironically, to why I came to Treasury 2.5 years ago. As I told you, I did not know whether my words or advocacy could change people's minds. I did, as I told you, believe and have confidence that a dollar well-deployed could enhance opportunity and therefore diminish antipathy to our values and our ways, but I now know, I now know after the mission given to me after 9/11, that preventing a dollar from being misapplied can be of equal service to the Nation, and perhaps is the surest singular weapon we have to make sure that the homeland is secure and to let our kids go to schools that teach tolerance and respect for people of all faiths.

Thank you.

[The prepared statement of Mr. Aufhauser appears as a submission for the record.]

Chairman Kyl. Thank you very much, Mr. Aufhauser. Mr. Mefford?

STATEMENT OF LARRY A. MEFFORD, ASSISTANT DIRECTOR, COUNTERTERRORISM DIVISION, FEDERAL BUREAU OF INVESTIGATION, WASHINGTON, D.C.

Mr. Mefford. Good afternoon, Senator Kyl, Senator Schumer. Thank you for inviting me today to testify regarding the state of the terrorism threat to the United States. The Subcommittee's work in this area is an important part of improving the security of our Nation.

The Federal Bureau of Investigation greatly appreciates your leadership and that of your colleagues and other committees dealing with the security of our country.

I would like to briefly discuss, for the Subcommittee today, the FBI's assessment of the current threats facing the country, with a focus on the radical Sunni extremist threat.

First, let me emphasize the commitment of the FBI to investigating and disrupting terrorist activity, both in this country and against U.S. interests overseas. There is no more important mission within the FBI today. We are dedicating tremendous resources to this effort, and we will continue to do so as long as the threat exists.

Establishing the full extent of al Qaeda's presence in the U.S. and preventing another attack is the FBI's top priority. Since September 11th of 2001, the FBI has investigated more than 4,000 terrorist threats to the U.S., and the number of active FBI investigations into potential terrorist activity has actually quadrupled.

Working with our partners and local and State law enforcement and within the U.S. intelligence community, we have also disrupted terrorist activities in over 35 instances inside the United States, since September 11th. These include both domestic and international terrorism matters and consist of a variety of preventive actions, including arrests, seizure of funds, and disruption of terrorist recruiting and training efforts, and even, in certain cases, the prevention of actual attacks.

No threat or investigative lead goes unanswered today. At

FBI headquarters and our field offices around the country and through our offices overseas and U.S. embassies, we run every lead to ground until we find evidence of terrorist activity which we aggressive pursue or determine that the information is not substantiated.

While we have disrupted terrorist plots since 9/11, we remain constantly vigilant as a result of the ongoing nature of this threat. The greatest danger to our safety and security comes not from what we know and can prevent, but actually from what we do not know.

We know this, the al Qaeda terrorist network remains the most serious threat to U.S. interests both at home and overseas. That network includes groups committed to the international jihad movement, and it has demonstrated the ability to survive numerous and significant setbacks.

Since September 11th, we believe that al Qaeda has been involved in at least a dozen terrorist attacks around the world directed against the U.S. and our allies. This fact requires that we continue to work closely with our partners to fight al Qaeda and its allies, and all of its forms both here and overseas.

On March 1st of this year, counterterrorism forces in Pakistan captured al Qaeda operational commander Khalid Shaikh Mohammed, and financier Mustafa Ahmed al-Hawsawi. In early 2002, another high-ranking al Qaeda operational commander, Mohamed Atef, was killed in a U.S. bombing raid in Afghanistan. Many more suspected al Qaeda operatives have been arrested in the U.S. and abroad and continue to be captured on a weekly basis, either by U.S. agencies, military forces, or our allies.

Despite these strikes against the leadership of al Qaeda and their capabilities, that organization remains a very potent, highly capable, and extremely dangerous terrorist network. Again, the number one terrorist threat to the U.S. today in the FBI's estimation. It is adaptive and resilient and in my opinion it would be a grave mistake to underestimate its reach and potential abilities. The very recent attacks last month in Riyadh, Saudi Arabia and Casablanca, Morocco, which we believe were either sponsored or inspired by al Qaeda clearly demonstrate that network's continued ability to murder and injure innocent, unsuspecting victims.

While large-scale coordinated attacks remain an al Qaeda objective, disruptions to the network's command and logistics structures during the past 20 months increase the possibility that operatives will attempt to carry out smaller scale random attacks, as evidenced, for example, by Richard Reid's failed attempt to detonate a shoe bomb in December of 2001 aboard that transatlantic flight. Such attacks, particularly against softer or lightly secured targets may be easier to execute today, less likely to require centralized control. We remain vigilant to the ability and willingness of individual terrorists acting on their own in the name of jihad to carry out random attacks of terror wherever and whenever they can.

We also know that jihadists tend to focus on returning to unfinished projects, such as the destruction of the World Trade Center and attacks on U.S. Navy vessels. Consequently, today we might expect al Qaeda to return to high-profile targets previously selected, such as high-profile Government buildings either in the U.S. or overseas. While we know that al Qaeda has focused on attacks that have economic impact, we believe that its goals still include the infliction of mass casualties.

We do not have information today that clearly identifies specific targets, and attacks could conceivably take many forms. Consequently, finding and rooting out al Qaeda members and their associates and sympathizers once they have entered the U.S. is our most serious intelligence and law enforcement

challenge. This is particularly challenging given that the identity of U.S.-based al Qaeda sleeper cells are probably the closest held secrets in their networks.

In addition to focusing on identifying individuals directly involved in launching terrorist attacks, we are also very concerned about those individuals assisting al Qaeda, providing support activities such as assisting and fund-raising, recruiting, training, or other logistical responsibilities. This remains very important based on the critical nature of those types of responsibilities to the operation of terrorist networks. We also are concerned about al Qaeda's continued intention and efforts to recruit U.S. citizens to support their cause.

In conclusion, the U.S. faces a wide range of international terrorist groups and we assess al Qaeda to be the greatest threat today. Their potential attacks could be large-scale or more smaller and more isolated. Since our understanding of their underlying philosophy continues to develop and our understanding of their actions and preparations continue to evolve, our assessment of the threat continues to evolve also.

We remain, however, concerned that al Qaeda's intentions to launch another major attack inside the U.S. continues. That is why we remain focused on detecting and preventing terrorism, and we are focused on identifying the sleeper cells in the United States if they should exist. We will not stray from that purpose and intend to work closely with State and local law enforcement and other Federal agencies to continue to enhance our capabilities in this regard. We appreciate your guidance and support as we carry out this mission.

In conclusion, I would be happy to answer questions to the extent that I am able today.

[The prepared statement of Mr. Mefford appears as a submission for the record.]

Senator Kyl. Thank you very much, gentlemen. We have about 10 minutes left in this vote. What I would like to do is take about 5 minutes between the two of us, submit some questions to both of you in writing and then excuse you, because there will be now a significant time lapse here before we to on to the next panel. It just would not be fair to keep you around. If you want to answer in one-word answers, that would be just fine, but do not feel constrained to.

Let me start with you, Mr. Aufhauser. Just very specific questions. Are the Saudis part of the general terrorist threat against the United States?

Mr. Aufhauser. People within Saudi Arabia are, yes.

Senator Kyl. Is there still a significant al Qaeda terrorist threat here in the United States?

Mr. Aufhauser. Yes.

Senator Kyl. In fact, Mr. Mefford, how would you characterize that overall threat?

Mr. Mefford. It is difficult for me to place an exact number based on the sensitive nature of our ongoing operations, but let me character it by saying--

Senator Kyl. Just generally.

Mr. Mefford. --that we have ongoing operations directed against suspected al Qaeda members and their affiliates in about 40 States.

Senator Kyl. With regard to the trail of money I should have asked you, Mr. Aufhauser, specifically about the trail of money and whether it leads in some cases to Saudi Arabia.

Mr. Aufhauser. In many cases it is the epicenter.

Senator Kyl. Does that trail of money also show money going to al Qaeda?

Mr. Aufhauser. Yes.

Senator Kyl. Is the money from Saudi Arabia a significant

source of funding for terrorism generally?

Mr. Aufhauser. Yes. Principally al Qaeda but many other recipients as well.

Senator Kyl. Have you, incidentally, had direct discussions with Saudi officials in regard to the investigations that have been conducted?

Mr. Aufhauser. At the highest levels in Riyadh, yes.

Senator Kyl. I am going to ask both of you, especially Mr. Mefford, I am going to ask you if you have any recommendations for any changes in, modifications to, additions to the USA Patriot Act, or any of our other laws, in fact with regard to both of you. In your investigations and work you have undoubtedly worked with these laws. If you have any other suggestions or changes that you might want to this suggest to us. I am going to put that question to you both in writing and just ask you to respond, because we are in a position to at least try. Senator Schumer and I were successful in at least getting through the Senate a piece of legislation related to FISA, and we, I think, both stand ready to try to assist you as we can.

Senator Schumer, do you have anything else for this panel? Senator Schumer. No, I will defer to you, Mr. Chairman, because we have votes. I want to thank the panel for their good work and we will keep pursuing these subjects. Thank you.

Senator Kyl. Thank you. Again, I really apologize. You had to wait, and there is a lot more I would have loved to have asked you, but I think I will do that in writing. I would just express my sincere appreciation. I cannot thank both of you enough. I was going to comment on the fact, each time somebody from, particularly the Department of Justice testifies they always note the number of situations in which we have disrupted terrorist activity, including specific terrorist threats. I especially appreciate that testimony.

It is always important to let the American people know that even though they may not see it, there is a great deal of work going on behind the scenes that is disrupting these terrorists, saving lives, preventing violence. On behalf of the people I just want to say thank you to both of you, and all the folks that work with you.

This hearing now will be recessed for approximately 40 minutes, until we are finished with our work on the floor, and then we will come back for our second panel. Thank you.

[Recess.]

Senator Kyl. This hearing of the Judiciary Subcommittee on Terrorism, Technology will resume. Again, let me apologize both to our witnesses and to those who have been patiently waiting in the audience for the hearing to resume. It is difficult when you schedule a hearing the last day before a recess and a lot of business is pending in the Senate, to have an uninterrupted hearing. I very much apologize for the inconvenience to any of you. I am hoping that other members will come but we are also in the markup of the full Judiciary Committee on the asbestos bill. I may be needed for a quorum there. So we will get going here, see what happens and see if we can do four things at once today.

But I am especially disappointed because our panel, I had really hoped that we would have more members here to directly hear the testimony, but I plan to ensure that the Committee members are all exposed very much to the testimony of the panelists here. Dr. Alex Alexiev and Stephen Schwartz are real experts in the subject of our hearing today. Let me tell you just a little bit about them both and then just get right to our testimony.

Dr. Alex Alexiev is a native of Bulgaria who completed his graduate studies at UCLA and worked for nearly two decades as a

senior analyst in the National Security Division of the RAND Corporation. He has also served as a director at Radio Free Europe, a pro bono adviser to the first democratically elected prime minister of Bulgaria, and an international business consultant. Currently, he is a senior fellow at the Center for Security Policy in Washington, D.C. where he focuses on issues related to the war on terrorism. He is the author of books and numerous articles on national security.

Stephen Schwartz is the director of Islam and Democracy Program at the Foundation for the Defense of Democracies, a Washington-based think tank concerned with terrorism and security issues.\1\ Mr. Schwartz is a journalist, author, and recognized expert on the problem of Saudi Wahhabi extremism and its infiltration of the global Islamic community. He is the author of The Two Faces of Islam: The House of Saud From Tradition to Terror, published in 2002 by Doubleday.

-----

\1\ Stephen Schwartz's affiliation with the Foundation for the Defense of Democracies ended in August 2003.

-----

Dr. Alexiev, would you like to begin the testimony?

STATEMENT OF ALEX ALEXIEV, SENIOR FELLOW, CENTER FOR SECURITY POLICY, WASHINGTON, D.C.

Mr. Alexiev. Thank you, Mr. Chairman. I appreciate the opportunity to appear here and talk about an issue that is of the utmost importance. I have submitted a written statement and instead of reading it, with your permission I would like to briefly summarize the issues in it.

The basic premise of my statement is that the phenomenon of violent Islamic extremism is the key problem we are facing today. Al Qaeda, murderous as it is, is but a symptom, in my view, of an underlying malignancy which is Islamic extremism and the entire edifice, if you will, of extremism that breeds terrorism. What I mean by that is even if we are successful to defeat al Qaeda totally, another al Qaeda will come by if we do not at the same time succeed in destroying the edifice of Islamic extremism.

This huge international infrastructure is sponsored ideologically and financially by Wahhabism, and that is to say, Saudi Arabia. I do not believe that we are likely to make much progress in the war on terrorism, lasting progress, until we eliminate this edifice of extremism.

Let me briefly talk about the ideology that drives Wahhabism. Wahhabism pretends to be Islam in its purest form. I submit to you, Mr. Chairman, that it is nothing of the kind. It is in fact an extremely reactionary, obscure sect whose teaching contradicts traditional Islamic doctrine. To that extent it is incorrect to refer to it as fundamentalist because it in fact transgresses against some of the fundamentals of Islamic teaching as given in the Koran. In fact Wahhabis teaching contradicts traditional tenets of the Koran to the point of falsifying them.

The give you just one example, Wahhabism teaches and has been doing so since the very beginning, since the big 18th century, that all Muslims that do not subscribe to Wahhabism are in fact apostates and heretics and violence against them is not only permissible but in fact obligatory. This continues to be the teaching that Wahhabis subscribe to to this day. As a result, Wahhabism is not only directed against infidels, non-Muslims, but is in fact directed against and threatens Muslims that do not subscribe to Wahhabism. That is a key point to understand.

As a result, this violent creed has become, in my view, the

prototype ideology of all Islamic extremist and terrorist groups, and that includes those that violently oppose the House of Saud, such as bin Laden. In this respect it is very important for us to understand that Wahhabi activities are not a matter of religion, but in my view a matter of criminal sedition and ought to be treated as such.

It is just as important to understand, as I mentioned, that they threaten not only our liberal democratic order but they threaten other Muslims such as Sunnis, the Shi'as, the different Sufi orders, the Barelvis in South Asia, the Bahai, the Ahmadis, et cetera. These other Muslims in fact are potential allies in the struggle against this extremist phenomenon.

Now how could one explain the fact that such a hateful creed in fact has been able to take over much of the Islamic establishment worldwide and become its dominant idiom? The short answer, and there are also other things we can talk about--the short answer is money; lots of it. In the past 25 years or so, according to Saudi official information, Saudi Arabia has given over \$70 billion of what they call development aid, which in fact they themselves confirm goes mostly for what they call Islamic activities.

Senator Kyl. Over what period of time?

Mr. Alexiev. In the last 25 years roughly, from mid 1970's to the end of last year; 281 billion Saudi riyals according to their official statements. This is nearly \$2.5 billion per year. This makes it the largest sustained ideological campaign in history, in my view. I served as what was called a Sovietology for nearly two decades and the best estimates that we had on Soviet external propaganda spending was \$1 billion a year. So you are talking about an absolutely astounding amount of money being spent for the specific purpose of promoting, preaching Wahhabi hatred.

They have used this amount of money to take over mosques around the world, to establish Wahhabi control of Islamic institutions, subsidize extremist madrassas in South Asia and elsewhere, control Islamic publishing houses. They currently control probably four-fifths of all Islamic publishing houses. And spend money, a lot of it, on aggressive proselytizing, apart from direct support of terrorism.

What have they achieved for that money? I would submit to you that they have achieved quite a bit. To give you just one example, in Pakistan there are roughly 10,000 extremist madrassas that are run by Deobandi allies of the Wahhabis, and the Deobandis are very similar in their ideology to the Wahhabis. They currently teach, according to Pakistan sources, between one and 1.7 million children, essentially to hate. They do not get much schooling in any subject that is not related to Islamic activities.

It is important to know that of these at least 1 million children, 15 percent are foreigners. So it is not just Pakistan that is affected by the fact that tens of thousands, hundreds of thousands of kids are taught how to hate, and graduate from these madrassas without any useful education that could be used in the marketplace, but perfectly prepared for a career in jihad and extremist activities. 16,000 of them, for instance, are Arabs that are taught in these schools.

As a result, Pakistan is very close to being a dysfunctional country. Two of its provinces, the Northwest frontier province and the Beluchistan in fact have governments that are openly extremist and there is a process of Talibanization of these provinces that is extremely disturbing. It is, again, not just Pakistan. It is all over. We do not have time to discuss that here but let me just mention that in Iraq, in the Kurdish areas of Iraq there are now over 40 mosques that

are starting to be active there and we are going to hear from them. This does not augur well for our efforts to build democracy in Iraq unless we undercut these activities.

Now the money that the Saudis are spending are transferred to extremist organizations through a network of charities, front organizations. Contrary to Saudi official claims, which unfortunately quite often are uncritically accepted by many, none of them are either private or charitable. They are in fact government-controlled, government-sponsored, government-funded organizations, the main ones being the World Muslim League, the World Assembly of Muslim Youth, the Al Haramain Foundation, and the International Islamic Relief Organizations. There are many, many others. There are a total of over 250 so-called charitable organizations in Saudi Arabia.

Most of the largest organizations, all four of the ones that I just mentioned, have been implicated in the support of terrorist activities by U.S. authorities. Let me be just mention here one additional factor that indicates that the government of Saudi Arabia knows very well what these organizations are doing is the fact that they passed a law way back in 1993 which prohibited any collection of donations, of zakat donations except under state supervision. So the idea that you very often hear from the Saudis themselves that somehow these are private non-government organization is, in my opinion, bogus.

There is, again, no indication at least to me that Riyadh is interested in stemming the flow of these monies to extremist organizations. In fact the opposite is still the case. The reason that they really cannot do that is because for them to come clean on the channels and the amount of money is simply to implicate themselves, to implicate a lot of Saudi officials and organizations in support of terrorism. While promising that they will do something about it, the reality of it is very different.

Let me give you just one quote here from last month, and that is from the official Saudi government channel, television channel. A Wahhabi cleric who gives a prayer on the state channel which deals with the so-called American tyrannical alliance and the situation of Iraq. He says, oh, God, destroy the aggressive tyrannical alliance. Oh, God, drown its soldiers in the seas and destroy them in the deserts. All Wahhabi clerics are employees of the Saudi state, and obviously the television channel also belongs to the Saudi state. So the idea that somehow they do not know what is going on is, again, in my view, a bogus one.

Let me just finish here by saying that the evidence of the Saudi Wahhabi sponsorship of extremist networks and activities is so overwhelming, in my view, that for us to continue to tolerate it guarantees that we are not going to be able to make meaningful and lasting progress in the war on terrorism for a long time to come.

Thank you, Mr. Chairman.

[The prepared statement of Mr. Alexiev appears as a submission for the record.]

Senator Kyl. Thank you, Mr. Alexiev. Stephen Schwartz.

STATEMENT OF STEPHEN SCHWARTZ, SENIOR FELLOW, FOUNDATION FOR THE DEFENSE OF DEMOCRACIES, WASHINGTON, D.C.\1\

Mr. Schwartz. Thank you, Chairman Kyl. Thank you for your invitation to appear here today.

\1\ Stephen Schwartz's affiliation with the Foundation for the Defense of Democracies ended in August 2003.

I come before this body to describe how adherents to Wahhabism, the most extreme, separatist, and violent form of Islam and the official sect in the Kingdom of Saudi Arabia have come to dominate Islam in the United States.

Islam is a fairly new participant at the big table of American religions. The Muslim community only became a significant element in our country's life in the 1980's. Most born Muslims, as opposed to those who `converted''--a term Muslims avoid, preferring the term new Muslims--most born Muslims have historically been immigrants from Pakistan and India who followed traditional, peaceful, mainstream Islam. With the growth of the Islamic community in America there was no Islamic establishment in the U.S., in contrast with Britain, France, and Germany, the main Western countries with significant Islamic minorities.

Historically, traditional scholars have been a buffer against extremism in Islam, and for various sociological and demographic reasons American Islam lacked a stratum of such clerics. The Wahhabi ideological structure in Saudi Arabia perceived this as an opportunity to fill a gap, to gain dominance over an Islamic community in the West with immense potential for political and social influence.

But the goals of this operation, which was largely successful, were multiple. First, to control a significant group of Muslim believers.

Second, to use the Muslim community in the U.S. to pressure Government and media in the formulation of policy and in perceptions about Islam. This has come to include liaison meetings, sensitivity sessions, and other public activities with high-level Administration officials, including the FBI director, since September 11th.

Third, to advance the overall Wahhabi agenda of jihad against the world, an extremist campaign to impose Wahhabism on the global Islamic community as well as to confront the other religions. This effort has included the establishment in the U.S. of a base for funding, recruitment, and strategic tactical support of terror operations in the U.S. and abroad.

Wahhabi Saudi policy has always been two-faced. That is, at the same time as the Wahhabis preach hostility and violence, first against non-Wahhabi Muslims, they maintain a policy of alliance with Western military powers, Britain, then the U.S. and France, to ensure their control over the Arabian Peninsula.

At the present time, Shi'a and other non-Wahhabi Muslim community leaders in this country estimate that 80 percent of American mosques are under Wahhabi control. This does not mean 80 percent of American Muslims support Wahhabism, although the main Wahhabi ideological agency in America, the so-called Council on American-Islamic Relations, or CAIR, has asserted that some 70 percent of American Muslims want, in effect, Wahhabi teaching in their mosques. This is a claim we consider unfounded.

Rather, Wahhabi control over mosques means control of property, buildings, appointment of imams, training of imams, content of preaching, including in the past, faxing of Friday sermons from Riyadh, Saudi Arabia, control of literature distributed in mosques and mosque bookstores, notices on bulletin boards, and organizational solicitation. Similar influence extends to prison and military chaplaincies, Islamic elementary and secondary schools or academies, college campus activity, endowment of academic chairs and programs in Middle East studies, and most notoriously, charities ostensibly helping Muslims abroad, many of which have been linked to or designated as sponsors of terrorism.

The main organizations that have carried out this campaign are the Islamic Society of North America, or ISNA, which

originated in the Muslim Students Association of the U.S. and Canada, MSA, and CAIR. Support activities have been provided by the American Muslim Council, AMC, the American Muslim Alliance, AMA, and the Muslim American Society, MAS, the Graduate School of Islamic and Social Sciences, to which Senator Schumer referred as a certifying organization for chaplains, its sister body, the International institute of Islam Thought, and a number of related groups that I have called the Wahhabi lobby.

ISNA operates at least 324 mosques in the U.S. through the North American Islamic Trust, NAIT. These groups operate as an interlocking directorate. Both ISNA and CAIR maintain open and close relations with the Saudi government, a unique situation in that no other foreign government directly uses religion as a cover for its political and influence activities in the U.S.

For example, notwithstanding support by the American Jewish community for the state of Israel, the government of Israel does not intervene in synagogue life or the activities of rabbinical or related religious bodies in America.

According to SaudiEmbassy.net, the official web site of the Saudi government, CAIR received \$250,000 from the Jedda-based Islamic Development Bank in 1999 for the purchase of land in Washington D.C. to construct a headquarters facility.

In another very disturbing case, the Islamic Development Bank also granted \$295,000 to the Masjid Bilal Islamic Center in USA for the construction of the Bilal Islamic primary and secondary school in California in 1999. Asan Akbar, an American Muslim presently charged with the fatal attack on his fellow soldiers in Kuwait during the Iraq intervention was affiliated with this institution.

In addition, the previously mentioned official web site of the Saudi government reported a donation in 1995 of \$4 million for the construction of a mosque complex in Los Angeles named for Ibn Taymiyyah, a historic Islamic figure considered the forerunner of Wahhabism. It should be noted that Ibn Taymiyyah is viewed as a marginal extremist ideological personality by many traditional Muslims.

The same web site reported the donation of \$6 million, also in 1995, for a mosque in Cincinnati, Ohio. The web site stated in the year 2000, `in the United States the Kingdom has contributed to the establishment of the Islamic Center in Washington, D.C., the Omer Bin Al-Khattab Mosque in western Los Angeles, the Los Angeles Islamic Center, the Fresno Mosque in California, the Islamic Center in Denver, Colorado, the Islamic Center in Harrison, New York City, and the Islamic Center in Northern Virginia.''

How much money in total is involved in this effort? If we accept a low figure of control, that is NAIT ownership of 27 percent of 1,200 mosques stated by CAIR and cited by Mary Jacoby and Graham Brink in the St. Petersburg Times, we have 324 mosques. If we assume a relatively low average of expenditures, that is, \$500,000 per mosque, we arrive at \$162 million. But given that Saudi official sources show \$6 million in Cincinnati and \$4 million in Los Angeles, we should probably raise the average to at least \$1 million per mosque, resulting in \$324 million as a minimum.

Our view, the view of my program is that the number of mosques under Wahhabi control actually totals at least 600 out of the official total of 1,200. As noted, Shi'a community leaders endorsed the figure of 80 percent under Wahhabi control. But we also offer a number of 4,000 to 6,000 mosques overall, including small and diverse congregations of many kinds.

A radical critic of Wahhabism, a man who does not love the United States very much but has been very candid about the facts in this situation, stated some years ago that \$25 million

had been spent on Islamic centers in the U.S. by the Saudi authorities. This now clearly seems a low figure. Another anti-extremist figure estimated Saudi expenses in the U.S. over 30 years, and including schools and free books as well as mosques, near \$1 billion.

It should also be noted that Wahhabi mosques in the U.S. work in close coordination with the Muslim World League, MWL, and the World Assembly of Muslim Youth, WAMY, Saudi state entities identified as participants in the funding of al Qaeda. Wahhabi ideological control within Saudi Arabia is based on the historic compact of intermarriage dating from the 18th century between the family of the sect's originator, Ibn Abd Al-Wahhab and the family of the founding ruler, Ibn Saud. To this day these families divide governance of the kingdom with the descendants of Ibn Abd Al-Wahhab responsible for religious life and the Saudi royal family running the state. The two families also continue to marry their descendants to one another.

The supreme religious leader of Saudi Arabia is a member of the family of Ibn Abd Al-Wahhab. The state appoints a minister of religious affairs who controls such bodies as MWL and WAMY, and upon leaving his ministerial post he becomes head of MWL.

The official Saudi Embassy web site reported exactly 1 year ago, on June 26, 2002: ``a delegation of the Muslim World League that is on a world tour promoting goodwill arrived in New York yesterday and visited the Islamic Center there,'' that is, the main Wahhabi mosque there. The same web site later reported on July 8, 2002, ``during a visit on Friday evening to the headquarters of the Council on American-Islamic Relations, CAIR, Secretary-General of the MWL, Dr. Abdullah bin Abdul Mosi al-Turki advocated coordination among Muslim organizations in the United States.''

To digress, this would be as if an official of the former Soviet government had come to the United States and in a meeting with the Communist Party had openly called for cooperation between leftist organizations in the United States.

To return to the quote, ``expressing MWL's readiness to offer assistance in the promotion and coordination of Islamic works, he announced plans to set up a commission,'' presumably of the Saudi government, ``for this purpose. The MWL delegation also visited the Islamic Center in Washington, D.C. and was briefed on its activities by its director, Dr. Abdullah bin Mohammed Fuaj.''

In a related matter, on June 22nd, 2003, in a letter to the New York Post, James Zogby, president of the Arab-American Institute, a civic, nonreligious lobbying organization, stated that his attendance at a press conference of WAMY in Riyadh, Saudi Arabia had been organized by the U.S. Embassy in the Kingdom. If this is true, it is extremely alarming. The U.S. Embassy should not act as a support of WAMY, which as documented by my foundation and the Saudi Institute, a Saudi human rights monitoring arm, teaches that Shi'a Muslims, even unbelievably enough, the followers of Khomeini, are agents of the Jews. Calling Shi'a Muslims, including the Iranians and Khomeini, agents of the Jews, is comparable to Nazi claims that Jewish business owners were Communists, or the propaganda we heard in ex-Yugoslavia claiming that Tito was an agent of the Vatican.

When you hear these things in a country, the aim is to derange people, to separate them from reality and to prepare for massacres. We believe that issues involving the Saudi Shi'a minority in the kingdom have begun to alarm the rulers of the kingdom because they look north of their border and they see the possibility of a democratic Iraq in formation led by Shi'as. And they look northeast and they see the possibility of consolidation of a democratic, at least popular sovereignty in

Iran, another Shi'a country. We are afraid, very afraid they are preparing some kind of serious repression, violent repression against Shi'as in Saudi Arabia.

There is clearly a problem of Wahhabi Saudi extremist influence in American Islam. The time is now to face the problem squarely and find ways to enable and support traditional, mainstream America Muslims in taking their community back from the extremists, while employing law enforcement to interdict the growth of Wahhabism and its financial support by the Saudis. If we fail to do this, Wahhabi extremism continues to endanger the whole world, Muslims and non-Muslims alike.

Thank you for your attention.

[The prepared statement of Mr. Schwartz appears as a submission for the record.]

Senator Kyl. Thank you very much for that powerful statement, Stephen Schwartz. Let me ask you the first question. Exactly how would you characterize the influence of Wahhabi ideology in American Islam today? I do not know if you can quantify it or you can discuss the quality of it, but how influential is it?

Mr. Schwartz. If I speak in an informal way and a somewhat impressionistic way, it is not an easy thing to quantify. But we have a situation where I accept the figure that has been put forward by the Shi'as leaders. The Shi'a leaders, their experience with this has been pretty bitter. They have seen their historic mosques taken over, they have seen their own people driven out of mosques. They have seen a situation where they have essentially been excluded from groups like ISNA and so forth.

This is how it works today. The born Muslim who comes here essentially comes here to get away from this stuff. The born Muslim, by and large, comes here to enjoy the economic and social benefits of becoming an American. They come here from places where Islamic extremism has made their lives miserable and they come here hoping to get away from it, as I said.

They get here and what do they find? They find that Wahhabism, with Saudi money, dominates American Islam. To them this is a gigantic shock, a horrifying shock. A Jordanian Muslim once said to me, if somebody had told me in my village that I would go to America and go to the mosque and find the Wahhabis running it, I would have said, the FBI would never allow that.

So setting up this establishment, setting up an Islamic establishment, they have taken control of the community in the United States. This is a disincentive to the ordinary, normal Muslim, the moderate, traditional mainstream Muslim from acting to take their faith back. The guy who comes here from a Muslim country does not want to cause problems for his family back home. He does not want to stand up in the mosque and fight these guys. He does not want his kid to come home and say, the other kids in the Islamic academy say you are an agent of the Government spying on the Muslims. He does not want to have to lose business to a boycott by other Muslims. He does not want to have to deal with this nightmare, and they are not going to deal with the nightmare. They are not going to act and support the cause of democracy unless we help them do that.

The other point is that the Islamic establishment I have described has been extraordinarily successful in capturing the microphone, in dictating the discourse. A Bosnian Muslim I know said to me, we Bosnians are grateful to America. America saved us. But when I turn on my television, I do not see the imam of the Bosnian mosque in Chicago, who speaks perfect English and is an enemy of Wahhabism and wants to support America, on the television speaking for Islam. He says, I see these Wahhabis

speaking for Islam. They are angry, and they are militant, and they are presenting it all as a matter of a vast conspiracy to throw them all in camps. They are basically talking as jihadists. He says to me, what are we going to do about this? I say, the only thing I can tell you is, some of us are trying to get your voices into our media.

My last point is this, many people say, and they say with some bitterness, why don't the mainstream Muslims speak out? As I've said, a lot of them are intimidated. But a lot of them have been ignored. If the media and the Government do not give them a hand, do not lift them up, do not enable them to speak out, they will not be able to speak out. They will not be heard.

Senator Kyl. Mr. Alexiev, you said some things somewhat similar here. Can you tell us in the United States if there are particular regions in which the Wahhabis have been more successful in furthering their extremist agenda?

Mr. Alexiev. In the United States or worldwide? Senator Kyl. Yes, in the United States.

Mr. Alexiev. I think Steve is more of an expert on the Wahhabi penetration in the U.S., but I do not think there is any doubt that the Wahhabis control almost totally the Muslim establishment, or Muslim political establishment, if you will. Virtually all the organizations that pretend to speak for Islam in this country are essentially Wahhabi controlled. There are a few others. There is organizations of the Shi'as and of the Sufis, but the people that you see being entertained and allowed access to the White House, the people that are basically the interlocutors of the FBI, all of them virtually are Wahhabis. If you look closely at who these people are you will find an entire network of organizations who all essentially were created beginning in the 1960's as the offspring of the so-called Muslim Student Association. They all have interlocking directorships, they all have pretty much musical chairs of the people that run them. You look at their web sites, they all link each other. They are the phenomenon that Mr. Schwartz described here, the domination of American Islam by--

Senator Kyl. If you were to try to identify, for example, a web site or a writing of Wahhabis in the United States, is that possible? Do they use a web site or writings?

Mr. Alexiev. Yes, they all have web sites. Actually, if you spend time looking at what they do and what they represent, it is fairly easy to identify them. For instance, the one thing that virtually all of them virtually almost incessantly repeat is dour which is a proselytism. They constantly talk about proselytizing. They constantly talk about what is allowed and what is not allowed. They talk about true Islam, correct Islam, which is a code word for Wahhabi Islam. They refer to, again as I mentioned, to each other's web sites in their links. They constantly refer to Saudi institutions, very often the embassy or the organizations like Al Haramain. They all offer free books and free literature, Wahhabi literature. The reason for that is because there is a gigantic printing complex in Medina that churns out hundreds of millions of copies of Wahhabi propaganda.

Let me ad here that a Koran is not a Koran. There is a thing called a Wahhabi Koran, because they make sure that in the interpretation their own line is pursued. So you now have that particular printing institution printing Korans in any number of language, including Hebrew interestingly enough, many in Russian. All of this literature is offered free of charge to anybody that wants it because it is propaganda.

So yes, it is possible to identify these web site fairly easy. Not for the uninitiated though, because you will never

find a Wahhabi web site that will say, this is a Wahhabi web site. Wahhabism is a very pejorative word for the Wahhabis themselves because from the very beginning non-Wahhabis considered Wahhabis, again, an extremist sect. So the term is highly pejorative. The Wahhabis themselves never use it. They claim that they are the true Islam.

Senator Kyl. Just for the record, if I could get you to give us some information about how you would identify web sites that you are talking about here, that would be very helpful, if you could.

Mr. Alexiev. Yes. I would just repeat some of the thing that I said. Again, they will not say that this is a Wahhabi web sites.

Senator Kyl. I understand. That is why I was just asking you, perhaps for the record we could get some more information there.

Mr. Alexiev. Yes, I can certainly provide a written explanation of that point.

Senator Kyl. That would be very helpful. I am trying, because I have now been handed a note that says that we have three more roll call votes beginning very soon so I want to try to get through as much of this as I can.

Mr. Schwartz. You asked about regional areas and I will call your attention to--I do not have the data here but I am sure you recall the incident in the city of Tucson in your own State, a city that I once lived in, where there was the murder of a dissident Islamic cleric and the individual involved in the murder ended up being identified as an al Qaeda agent. So even in beautiful, peaceful Arizona, which we think of as pretty much a heartland State where there are not going to be serious problems involving something so exotic, has actually seen bloodshed.

As far as the web sites go, I hate to correct my esteemed colleague but there now is one called the WahhabiMyth.com. They say that they are Wahhabis and they defend Wahhabis, by and large--also, not to be such an egomaniac, against me and my book. This has sprung into existence in the last two or three weeks. That is quite an interesting web site because Sufism is a tradition of spiritual and peaceful Islam, their argument is that the Sufis are the extremists and that Osama bin Laden is a Sufi. It is really quite an extraordinary site. But they do not have any hesitation to use the would Wahhabi.

Generally the word Wahhabi is, however, avoided in the same way that Communists did not like to be called Communists in America. Wahhabis prefer to be called Salafis. It is just the same as when Communists called themselves Socialists or progressives. People knew what it was. Muslims know what it is. They do not want to hear it.

I will tell you a very interesting web site, www.Dar-Us-Salam.com. That is one of the purest Wahhabi web sites and it has on it an extraordinary--it is a lot of stuff in English--about women. If you read those, you will really understand what is wrong with Saudi Arabia. Go in and read, for example, why women are not allowed to drive. That is an extraordinarily educational experience.

There were also many web sites associated with bin Laden and his movement which were shut down and then popped up as mirror sites elsewhere. Some of them are still operating in Britain and Spain and other countries where they have not been shut down.

One other I will mention is called www.as-sahwah.com. That is a fantastically useful bin Laden-ite, jihadist web site that will tell you things like where to buy 400 videotapes of Russian soldiers being beheaded, why there is no reason to have fear on the battlefield because as soon as you die as a jihad

martyr you will immediately get to paradise.

After September 11th, as I say, many of these sites were shut down but they popped up in other places.

Senator Kyl. Connect this radical form of Islam in the United States with the terrorists or terrorism potential here in the United States.

Mr. Schwartz. I do not consider myself an alarmist. I feel that Wahhabism is in decline and in many respects has been defeated. My view is that the Muslims of the world got up on September 12th, 2001 and the vast majority of them said, we did not ask for this, we did not sign up for this, we do not support this, we did not want us.

At the same time, it is an unarguable fact that the preaching and teaching of extremist ideology creates the propensity to act on the ideology. To the extent that Wahhabism with its extremely hostile, murderous views of other Muslims, Jews, Christians, Hindus, Sikhs, Buddhists, you name it, to the extent that that continues to be preached and taught, it creates, it encourages in people a propensity to act out extremist, terroristic behavior. It also creates a milieu, an environment for the collection of funds, the organization of conspiracies, and the recruitment of foot soldiers for terrorist activities.

Let me make a slight abstraction here. I am not a behaviorist. I do not believe that saying things to people that are ugly, evil and terroristic turns them into terrorists. But I do believe that creating the environment is a problem, and if you simply allow 80 percent of American mosques to be a playground for people to spout these ideas--in my book I describe, for example, how one of the bin Laden-ite web sites described how to raise money for extremists who are interfering with the situation in Chechnya. It basically said, go and put the notice up on the mosque bulletin board. There was no suggestion that you should make sure that the imam in the mosque will not object to it.

The point is, if you create this environment, and above all if you create this environment in the prison system, or if you create this environment in the military where people are being trained in arms and military techniques and so on and so forth, you are not creating a behaviorist scenario where just preaching alone creates terrorists, but you are allowing the maintenance of an environment from which terrorists will emerge.

Senator Kyl. Mr. Alexiev, I want to ask you the same question, please.

Mr. Alexiev. Let me just add here, and it is an important aspect of the connection between the Wahhabi takeover of Muslim institutions and terrorism. Obviously, when they take over a mosque or an institution, they use it for indoctrination purposes, and they bring their imams, and it becomes essentially a school of that kind of extremism. But it does something else which has direct relevance to terrorism, and that is this mosque, if run by Wahhabis, they then collect—there is a cut, the 2.5 percent that every Muslim must donate to his mosque. So if the mosque is controlled by the Wahhabis, they also control the money.

So we have the situation where the U.S. Government tells us that they have frozen \$117 million of terrorist accounts since 9/11 and yet a single mosque in Brooklyn, we are told by U.S. authorities, has donated \$20 million to Osama bin Laden. I can giver you other examples of mosques in Britain that directly subsidize terrorists groups, jihadi groups in Pakistan. So that is a direct connection between the takeover of mosques and institutions and terrorism.

Senator Kyl. Mr. Alexiev, do you have any evidence of

control by people within the Saudi government of the funding of charities that at least some of the money which is supplied to terrorist organizations?

Mr. Alexiev. Yes, indeed. As I think I mentioned, all of these charities are in fact government controlled, and in fact many of them run by high-level officials. There are all kinds direct evidence from Saudi sources that I can supply for the record that in fact the Saudi government controls these institutions.

Let me just, if I can find it quickly, let me just mention this for instance. This is from an official Saudi publication which talks about the valuable service that Saudi Arabia has provided to the Muslim community. It says here directly, Saudi Arabia has either founded or supports the activities of a large number of specialized organizations dedicated to serving Muslims, such as the Muslim World League, the King Faisal Foundation, the World Assembly of Muslim Youth, the International Islamic Relief Organization. These are the very institutions that I mentioned earlier and all of them, again, have been implicated in terrorist activities by U.S. authorities.

So the evidence that they are in fact controlled by the Saudi government is very ample and supplied directly by the Saudi government itself.

Senator Kyl. Are either of you familiar--I was watching television a couple days ago and there was a reference to a directive or a rule, and I do not remember the number but it was something like Directive No. 98 or something, with the Saudi banks required to collect a certain amount of money for charity? I did not know anything about it. I have not been able to find out anything about it. Do either of you have any idea what I am talking about, the news story?

Mr. Schwartz. I do not know what the latest one of them is, but the collection--Dr. Alexiev has very correctly pointed out, the giving of charity is one of the principles that are traditionally referred to as the five pillars of Islam. The donation of funds, the collection of funds is a gigantic industry in Saudi Arabia, so to speak. There are many, many continuing decrees and orders of this kind. I can research it and came back.

Senator Kyl. I would appreciate that for the record. So at least it is plausible that there would be a rule that banks would need to collect a certain amount of money?

Mr. Schwartz. Banks have been collecting this money all along. Banks have been collecting this money since banks were established in Saudi Arabia.

Senator Kyl. But the question is, is it a directive of the state itself?

Mr. Schwartz. Absolutely. The banking system in Saudi Arabia is not an entrepreneurial, commercial banking system such as we have in the United States. This is another aspect of Islamic culture, because there are certain rules in Islam for financial transactions. For example, there is a ban on interest. There is a whole body of doctrine, law, and practice called Islamic banking. The Saudi state, which considers itself the guardian of Islam in the kingdom regulates the banks and controls numerous banks.

I was going to make a brief comment that might interest you. Dr. Alexiev talked about the Al Haramain Foundation. Haramain means the holy places and refers to Mecca and Medina. Haramain is a very pernicious international Saudi government-controlled charity that operated in Bosnia. They were among the first organizations that was shut down in Bosnia and in Somalia by a coordination action of our Treasury Department and the Saudi government.

Recently we were told by the Saudi government that Haramain would no longer operate outside Saudi Arabia, but I have just learned today that Haramain still has a fund for its activities in the United States. It is still collecting money right now for activities in the United States.

So this is one of the problems with this whole thing. The Saudi authorities tell us all these great things they are doing, but then when you talk to Saudi subjects as I do every day, you find that people who are living in the kingdom realize that what is being told to the United States and what is actually happening in the kingdom are two very different universes.

Mr. Alexiev. If I may add something to that. There is really plenty of evidence that government officials, in fact very high-ranking Saudi princes on a regular basis organize donation meetings, donation events, if you will, for these very organizations that we discussed here. They usually start by donating \$1 million or \$2 million or \$3 million themselves, and then the invited businessmen and others do the same. That is actually very often covered quite extensively in the Saudi press. I have myself at least six or seven of these instances which document that the Saudi government is behind organizing these collection drives for organizations that have been implicated in terrorist activities by our Government.

Senator Kyl. I want to return to something that was said before. I may have missed it but I just want to reiterate the point. There were different figures of the numbers or percentages of mosques in the United States that have had funding from Wahhabis. I think the highest number you gave was 80 percent of the mosques being funded by Wahhabis. Did I hear that number correctly?

Mr. Schwartz. Yes. I am very anxious to say, this is not something where we can give a scientific figure. There is not a situation where there is a database that we consult. This is essentially a pragmatic figure derived from Shi'a and other Muslims, their description of the situation as they see it.

Senator Kyl. It would be important to note, however, that in attributing a percentage, whether it is 80 or 60 or whatever the number is, that that is not to say that it is representative of the percentage of Muslims in the United States who adhere to Wahhabi.

Mr. Schwartz. Absolutely not. Absolutely not. If 80 percent of Muslims in the United States were Wahhabis, we would have a much worse situation than we have. If it were not for the money, as Dr. Alexiev and others, as we have all said, if it were not for the money this strain of Islam would be like the Christian Identity churches. It would be a crank, fringe, disreputable, and ignored phenomenon except for when it broke out from time to time. I must say, thanks to Allah, we cannot say that 80 percent of American Muslims are Wahhabis under any circumstances. The majority of American Muslims, I would say, 60, 70 percent of American Muslims follow the traditional Sunna, or they are Shi'as, or they are Sufis who want to work and live and prosper in this country as loyal American citizens. They hate terrorism. If they are born Muslims from Muslim countries, they came here to escape this.

Senator Kyl. I appreciate that important qualification. I want to make one other as well because it is a point that Chuck Schumer made and perhaps is a way for me to end this hearing.

Over the years, the government of Saudi Arabia has on occasion been very helpful to the United States of America. There have been certain occasions in which the friendship between the two governments has redounded to the benefit of the United States in various ways. But today, I agree with Senator Schumer that just as other countries around the world have to

come to grips with certain aspects of their society which contribute to the war on terrorism, including the United States of America--we have had to tighten up some of our security procedures. We have had to pass laws. We have had to change some of our institutions like the FBI and others to reorient themselves to dealt with this threat in a way much more directly than they ever used to do. A lot of changes have had to be made in countries around the world.

But among the countries that have not yet confronted the threat from terrorism that in many respects they themselves are fostering, Saudi Arabia is that country. For our friends in Saudi Arabia, I think a strong message from the United States has to be, you have got to help us in this war on terrorism or you yourselves are going to be consumed by it, just as it is going to consume others in the world.

So I want to conclude this. If any of you want to comment, fine, but I am going to have to go vote here in just a second.

I think from our witnesses this afternoon we have established some basic and important facts about the threat of terrorism in the United States, the specific threat from al Qaeda, the connection of al Qaeda in Wahhabi, and unfortunately, the financing connection between Wahhabi and Saudi Arabia. It simply leads to the conclusion that we have got to accelerate our efforts to deal with that threat around the world as it impacts the United States directly.

So this Committee will be conducting a series of hearings that will further expand on some of specific elements of this, the tracing of the money, the mosques, the clerics in the services, other ways in which the United States needs to be concerned about the way that terrorism is taking hold or could take hold in this country. I only hope, Mr. Schwartz, that you are right, that perhaps we have seen the high water mark and as a result of a lot of exposure the problem is beginning to be solved.

I thank both of you for testifying today, and with that we will simply announce that the record will be kept open until July 9th and the hearing is concluded.

[Whereupon, at 5:22 p.m., the Subcommittee was adjourned.] [Questions and answers and submissions for the record follow.]

```
[GRAPHIC] [TIFF OMITTED] T1326.001
[GRAPHIC] [TIFF OMITTED] T1326.002
[GRAPHIC] [TIFF OMITTED] T1326.003
[GRAPHIC] [TIFF OMITTED] T1326.004
[GRAPHIC] [TIFF OMITTED] T1326.005
[GRAPHIC] [TIFF OMITTED] T1326.006
[GRAPHIC] [TIFF OMITTED] T1326.007
[GRAPHIC] [TIFF OMITTED] T1326.008
[GRAPHIC] [TIFF OMITTED] T1326.009
[GRAPHIC] [TIFF OMITTED] T1326.010
[GRAPHIC] [TIFF OMITTED] T1326.011
[GRAPHIC] [TIFF OMITTED] T1326.011
```

[GRAPHIC] [TIFF OMITTED] T1326.035

```
[GRAPHIC] [TIFF OMITTED] T1326.036
[GRAPHIC] [TIFF OMITTED] T1326.037
[GRAPHIC] [TIFF OMITTED] T1326.038
[GRAPHIC] [TIFF OMITTED] T1326.039
[GRAPHIC] [TIFF OMITTED] T1326.040
[GRAPHIC] [TIFF OMITTED] T1326.041
[GRAPHIC] [TIFF OMITTED] T1326.042
[GRAPHIC] [TIFF OMITTED] T1326.043
[GRAPHIC] [TIFF OMITTED] T1326.044
[GRAPHIC] [TIFF OMITTED] T1326.045
[GRAPHIC] [TIFF OMITTED] T1326.046
[GRAPHIC] [TIFF OMITTED] T1326.047
[GRAPHIC] [TIFF OMITTED] T1326.048
[GRAPHIC] [TIFF OMITTED] T1326.049
[GRAPHIC] [TIFF OMITTED] T1326.050
[GRAPHIC] [TIFF OMITTED] T1326.051
[GRAPHIC] [TIFF OMITTED] T1326.052
[GRAPHIC] [TIFF OMITTED] T1326.053
[GRAPHIC] [TIFF OMITTED] T1326.054
[GRAPHIC] [TIFF OMITTED] T1326.055
?
```